

Office of the Secretary, HUD

§ 17.113

§ 17.108 Types of review.

(a) *Hearing.* The Secretary will provide the debtor with a reasonable opportunity for hearing if:

(1) An applicable statute authorizes or requires the Secretary to consider waiver of the indebtedness and the waiver determination turns on credibility or veracity; or

(2) The debtor requests reconsideration of the debt and the Secretary determines that the question of the indebtedness cannot be resolved by review of the documentary evidence.

(b) *Review of the record.* Unless the Secretary determines that a hearing is required (see paragraph (a) of this section), the Secretary will provide for a review of the record (a review of the documentary evidence).

§ 17.109 Review procedures.

(a) *Hearings.* (1) The appropriate Deputy Assistant Secretary (DAS) or designee conducts the hearing. The DAS or designee will take steps necessary to ensure that the hearing is conducted in a fair and expeditious manner. If necessary, the DAS or designee may administer oaths of affirmations.

(2) The DAS or designee does not use the formal rules of evidence with regard to admissibility of evidence or the use of evidence once admitted. However, parties may object to clearly irrelevant material.

(3) The DAS or designee records all significant matters discussed at the hearing. There is no "official" record or transcript provided for these hearings.

(4) A debtor may represent himself or herself or may be represented by an attorney or other person. The Secretary is represented by the General Counsel or his or her designee.

(5) The Secretary proceeds first by presenting evidence on the relevant issues. The debtor then presents his or her evidence regarding these issues. The Secretary then may offer evidence to rebut or clarify the evidence introduced by the debtor.

(b) *Review of the record.* The appropriate DAS or designee will review all material related to the debt which is in the possession of the Department. The DAS or designee makes a determination based upon a review of this writ-

ten record, which may include a request for reconsideration of the determination of indebtedness, or such other relevant material submitted by the debtor.

§ 17.110 Determination of indebtedness and appeal from determination.

(a) Following the hearing or the review of the record, the DAS or designee will issue a written decision which includes the supporting rationale for the decision. The decision of the DAS or designee is the final agency action with regard to the particular administrative offset.

(b) Copies of the DAS decision will be distributed to the debtor and the debtor's attorney or other representative, if applicable.

[36 FR 24427, Dec. 22, 1971. Redesignated at 49 FR 32349, Aug. 14, 1984 (interim), as amended at 59 FR 34580, July 6, 1994]

§ 17.111 Procedures for administrative offset: single debt.

(a) Offset will commence 31 days after the debtor receives the Notice of Intent, unless the debtor has requested a hearing (see § 17.104) or has entered into a repayment agreement (see § 17.106).

(b) When there is review of the debt within the Department, offset will begin after the DAS determination has been issued under § 17.110 and a copy of the determination is received by the Department's Office of Finance and Accounting.

§ 17.112 Procedures for administrative offset: multiple debts.

The Secretary will use the procedures identified in § 17.111 for the offset of multiple debts. However, when collecting multiple debts the Secretary will apply the recovered amounts to those debts in accordance with the best interests of the United States, as determined by the facts and circumstances of the particular case, paying special attention to applicable statutes of limitations.

§ 17.113 Procedures for administrative offset: interagency cooperation.

The Department will make use of all possible methods of cooperating with

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other Federal agencies in effecting collections by offset.

§ 17.114 Procedures for administrative offset: time limitation.

(a) The Secretary may not initiate administrative offset to collect a debt under 31 U.S.C. 3716 more than 10 years after the Secretary's right to collect the debt first accrued, unless facts material to the Secretary's right to collect the debt were not known and could not reasonably have been known by the officials of the Department who were responsible for discovering and collecting such debts.

(b) When the debt first accrued is determined according to existing law regarding the accrual of debts. (See, for example, 28 U.S.C. 2415.)

§ 17.115 Procedures for administrative offset: offset against amounts payable from Civil Service Retirement and Disability Fund.

(a) Unless otherwise prohibited by law, the Secretary may request that moneys which are due and payable to a debtor from the Civil Service Retirement and Disability Fund be administratively offset in one or more payments to collect debts owed to the Secretary by the debtor. The Secretary submits the request to the appropriate officials of the Office of Personnel Management (OPM) in accordance with OPM regulations and procedures.

(b) To request administrative offset under paragraph (a) of this section, the Secretary will provide a written certification that:

(1) The debtor owes the Secretary a debt, including the amount of the debt;

(2) The Secretary has complied with the applicable statutes, regulations, and procedures of the Office of Personnel Management; and

(3) The Secretary has complied with the Department's regulations contained in these regulations.

(c) Once the decision is made to request administrative offset under paragraph (a) of this section, the Secretary will make the request as soon as practical after completion of the applicable procedures necessary for the Office of Personnel Management to identify the debtor's account and to add a notation in the debtor's file in anticipation of

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the time when the debtor requests or becomes eligible to receive payments from the Fund. (This notation will satisfy any requirement that offset be initiated before the applicable statute of limitations expires.)

(d) If, at the time the debtor makes a claim for payments from the Fund, at least one year has elapsed since the offset was originally made, the debtor may offer a satisfactory repayment plan instead of offset upon establishing that changed financial circumstances would render the offset unjust.

(e) If the Department collects part or all of the debt by other means before deductions are made or completed under paragraph (a) of this section, the Secretary will act promptly to modify or terminate the Department's request for offset under paragraph (a) of this section.

§ 17.116 Procedures for administrative offset: offset of debtor's judgment against the United States.

Collection by offset against a judgment obtained by a debtor against the United States will be accomplished in accordance with 31 U.S.C. 3728.

§ 17.117 Procedures for administrative offset: imposition of interest.

Interest will be charged in accordance with § 17.72.

§ 17.118 Miscellaneous provisions: correspondence with the Department.

(a) All correspondence from the debtor to the Secretary shall be addressed to the Department Claims Officer, Office of Finance and Accounting, Department of HUD, Washington, DC 20410.

(b) The Department Claims Officer will deliver any correspondence to the appropriate Deputy Assistant Secretary within four working days.

SALARY OFFSET PROVISIONS

SOURCE: Sections 17.125 through 17.140, appear at 49 FR 32353, Aug. 14, 1984, unless otherwise noted.

§ 17.125 Scope.

(a) The provisions set forth in §§ 17.125 through 17.140 are the Department's procedures for the collection by salary offset of a Federal employee's